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CENTRAL INTELLIGENCE AGENCY REPORT

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 SUBJECT China/Rumania/Czechoslovakia/  
 East German Exports of Signal Communications NO. OF PAGES 4 25X1  
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1. On 4 January 1953, a conference of managers was held at the Werk fuer Signalanlagen und Sicherungstechnik (plant for the manufacture of signal and safety installations) (WFSST), the former Fernmeldewerk Treptow. The manager of the Central Laboratory for Telecommunication Techniques (ZLF) also attended the conference. [redacted] 1953 export orders received by the WFSST and the ZLF were fulfilled [redacted] 50 percent for Rumania, Czechoslovakia and China. [redacted] The principle of absolute security was stressed at the conference. Plant managers were told to tighten security measures at their respective plants. 25X1
2. Another conference of plant managers was held on 14 January 1954. At the conference one Pose (fnu), representative of DIA, stated that the work of the ZLF was receiving much attention in capitalist countries and that these countries were expected to place large orders with ZLF in 1954. The representatives of NV R-F-T, however, stressed the point that development orders should have priority over export deliveries. In this connection, it was mentioned that the ZLF was allotted a total of 3,090,000 eastmarks for its development mission in 1954, but that ZLF had to pay 5,800,000 eastmarks in wages and salaries alone. Representatives of NV R-F-T, therefore, stated that the 1954 development program was too comprehensive and was much more ambitious than the corresponding development plans in the People's Democracies. The departmental chiefs of ZLF criticized this attitude. The WFSST found out that in the field of telephone communications the ZLF, in 1953, spent 1,300,000 eastmarks on development work but that the production of equipment made possible by this development work represented a value of 45,000,000 eastmarks. Similar inquiries were to be made in the field of telegraphic communications. The aim of these inquiries was to collect material which was to support the request by ZLF for a share in the profits made on the basis of development work conducted by ZLF. It was believed that the sharing of profits could reduce the existing imbalance between money allocations for research work and the actual cost incurred for development projects. 25X1
3. On 23 January 1954, a conference of managers was held at the WFSST at Treptow. The managers of ZLF also attended the conference. The following announcements were made at the conference:
  - a. The Ministry of Machine Construction (MM) fulfilled its 1953 production plan 102 percent; the NV R-F-T fulfilled its 1953 production plan 99.5 percent.

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10.

[redacted] Polish engineers Stolarski, Kopaczek and Balinski visited the headquarters of "Verbundnetz Mitte" in August 1953 and discussed the problem of the utilization of single sideband equipment for carrier frequency telephony on power circuits. The Poles suggested to "Verbundnetz Mitte" that a further exchange of views be arranged within the framework of scientific technical cooperation between satellite states.

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11. In April 1954, preparations were being made for a two-week visit to Poland by seven telecommunication engineers. The visit was to start on 20 April 1954. The engineers were to conduct negotiations with the Polish railroad administration and the firm of "Elektrim" on the deliveries of signal communication and signal box equipment.
12. Between 1 and 31 October 1953, Dipl Ing Hardt (fmu) of ZLF and Ing Stoll (fmu) of the Central Office for Postal and Telecommunications Techniques were scheduled to travel to Czechoslovakia. It was suggested to the Ministry of Machine Construction that these engineers conduct negotiations on long-distance dialing methods.

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